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L * L * P

DENVER OFFICE
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ADMITTED TO PRACTICE ONLY IN THE DISTRICT OF COLUMBIA

WASHINGTON OFFICE
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TELEPHONE 202-944-9500
FAX 202-944-9501

PLEASE RESPOND TO WASHINGTON ADDRESS

June 25, 2015

REDACTED – FOR PUBLIC INSPECTION

HAND DELIVERED

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

ACCEPTED/FILED

JUN 25 2015

Federal Communications Commission
Office of the Secretary

DOCKET FILE COPY ORIGINAL

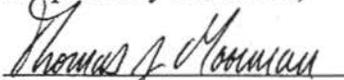
**Re: WC Docket No. 14-58
WC Docket No. 11-42
Submission of Redacted Version of FCC Form 481 and Annual Progress
Report Five Year Plan for Armstrong Telephone Company -- Maryland
(Study Area Code 180216)**

Dear Ms. Dortch:

Attached for filing are two copies of the redacted public version of (1) the FCC Form 481 of Armstrong Telephone Company – Maryland (the “Company”) which contains the Company’s financial information required by Section 54.313(f)(2) of the Commission’s rules (which is filed in compliance with the Protective Order referenced below) and (2) the Company’s Annual Progress Report to its five-year plan required by Section 54.313 of the Commission’s rules.

The Company’s FCC Form 481 has been electronically filed with the Universal Service Administrative Company. Consistent with the Commission’s Protective Order, WC Docket No. 10-90 *et al.*, DA 15-712, released June 17, 2015 and 47 C.F.R. § 0.459 of the Commission’s Rules, the Company, under separate letter, has submitted the confidential version of the Company’s FCC Form 481 which contains the Company’s financial information required by Section 54.313(f)(2) of the Commission’s Rules and the Company’s Annual Progress Report to its five-year plan.

Respectfully submitted,



Thomas J. Moorman

James A. Overcash

Counsel to Armstrong Telephone Company -- Maryland

Attachment

| | | |
|-------|--|-----------------------|
| <010> | Study Area Code | 180216 |
| <015> | Study Area Name | ARMSTRONG TEL OF MD |
| <020> | Program Year | 2016 |
| <030> | Contact Name: Person USAC should contact with questions about this data | James W Ranko |
| <035> | Contact Telephone Number: Number of the person identified in data line <030> | 7242830925 ext. 50342 |
| <039> | Contact Email Address: Email of the person identified in data line <030> | jranko@agoc.com |

ACCEPTED/FILED

JUN 25 2015

Federal Communications Commission
Office of the Secretary

| | | |
|--|---|---|
| ANNUAL REPORTING FOR ALL CARRIERS | 54,313 Completion Required | 54,422 Completion Required |
|--|---|---|

| | | | (check box when complete) | |
|--|---|---|-------------------------------------|-------------------------------------|
| <100> | Service Quality Improvement Reporting | (complete attached worksheet) | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| <200> | Outage Reporting (voice) | (complete attached worksheet) | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| <210> | <input checked="" type="checkbox"/> ← check box if no outages to report | | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| <300> | Unfulfilled Service Requests (voice) | 0 | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| <310> | Detail on Attempts (voice) | (attach descriptive document) | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| <320> | Unfulfilled Service Requests (broadband) | 0 | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| <330> | Detail on Attempts (broadband) | (attach descriptive document) | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| <400> | Number of Complaints per 1,000 customers (voice) | | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| <410> | Fixed | 0.0 | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| <420> | Mobile | 0.0 | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| <430> | Number of Complaints per 1,000 customers (broadband) | | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| <440> | Fixed | 0.0 | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| <450> | Mobile | 0.0 | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| <500> | Service Quality Standards & Consumer Protection Rules Compliance | (check to indicate certification) | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| <510> | 180216md510.pdf | (attached descriptive document) | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| <600> | Functionality in Emergency Situations | (check to indicate certification) | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| <610> | 180216md610.pdf | (attached descriptive document) | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| <700> | Company Price Offerings (voice) | (complete attached worksheet) | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| <710> | Company Price Offerings (broadband) | (complete attached worksheet) | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| <800> | Operating Companies and Affiliates | (complete attached worksheet) | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| <900> | Tribal Land Offerings (Y/N)? | (if yes, complete attached worksheet) | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| <1000> | Voice Services Rate Comparability Certification | Yes | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| <1010> | 180216md1010.pdf | (attach descriptive document) | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| <1100> | Certify whether terrestrial backhaul options exist (Yes or No) | (if not, check to indicate certification) | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| <1110> | | (complete attached worksheet) | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| <1200> | Terms and Condition for Lifeline Customers | (complete attached worksheet) | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Price Cap Carriers, Proceed to Price Cap Additional Documentation Worksheet | | | | |
| <i>Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers</i> | | | | |
| <2000> | | (check to indicate certification) | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| <2005> | | (complete attached worksheet) | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Rate of Return Carriers, Proceed to ROR Additional Documentation Worksheet | | | | |
| <3000> | | (check to indicate certification) | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| <3005> | | (complete attached worksheet) | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |

**(100) Service Quality Improvement Reporting
Data Collection Form**

FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

<010> Study Area Code 180216
 <015> Study Area Name ADMINSTRNG TEL OF MD
 <020> Program Year 2016
 <030> Contact Name - Person USAC should contact regarding this data James W Ranko
 <035> Contact Telephone Number - Number of person identified in data line <030> 7242830925 ext. 50342
 <039> Contact Email Address - Email Address of person identified in data line <030> jranko@agoc.com

<110> Has your company received its ETC certification from the FCC? (yes / no)
 If your answer to Line <110> is yes, do you have an existing §54.202(a) "5
 <111> year plan" filed with the FCC? (yes / no)

If your answer to Line <111> is yes, then you are required to file a progress report, on line <112> delineating the status of your company's existing § 54.202(a) "5 year plan" on file with the FCC, as it relates to your provision of voice telephony service.

<112> Attach Five-Year Service Quality Improvement Plan or, in subsequent years, your annual progress report filed pursuant to 47 C.F.R. § 54.313(a)(1). If your company is a CETC which only receives frozen support, your progress report is only required to address voice telephony service.



Name of Attached Document

Please select the appropriate responses below (Yes, No, Not Applicable) to confirm that the attached document(s), on line 112, contains a progress report on its five-year service quality improvement plan pursuant to §54.202(a). The information shall be submitted at the wire center level or census block as appropriate.

- <113> Maps detailing progress towards meeting plan targets
- <114> Report how much universal service (USF) support was received
- <115> How much (USF) was used to improve service quality and how support was used to improve service quality
- <116> How much (USF) was used to improve service coverage and how support was used to improve service coverage
- <117> How much (USF) was used to improve service capacity and how support was used to improve service capacity
- <118> Provide an explanation of network improvement targets not met in the prior calendar year.

| |
|----------------|
| Yes |
| Not Applicable |

(900) Tribal Lands Reporting
Data Collection Form

FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

| | |
|---|-----------------------|
| <010> Study Area Code | 180216 |
| <015> Study Area Name | ARMSTRONG TEL OF MD |
| <020> Program Year | 2016 |
| <030> Contact Name - Person USAC should contact regarding this data | James W Ranko |
| <035> Contact Telephone Number - Number of person identified in data line <030> | 7242830925 ext. 50342 |
| <039> Contact Email Address - Email Address of person identified in data line <030> | jranko@agoc.com |

<910> Tribal Land(s) on which ETC Serves

<920> Tribal Government Engagement Obligation

Name of Attached Document

If your company serves Tribal lands, please select (Yes, No, NA) for each these boxes to confirm the status described on the attached document(s), on line 920, demonstrates coordination with the Tribal government pursuant to § 54.313(a)(9) includes:

- <921> Needs assessment and deployment planning with a focus on Tribal community anchor institutions.
- <922> Feasibility and sustainability planning;
- <923> Marketing services in a culturally sensitive manner;
- <924> Compliance with Rights of way processes
- <925> Compliance with Land Use permitting requirements
- <926> Compliance with Facilities Siting rules
- <927> Compliance with Environmental Review processes
- <928> Compliance with Cultural Preservation review processes
- <929> Compliance with Tribal Business and Licensing requirements.

| Select Yes or No or Not Applicable |
|--|
| |
| |
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| |
| |
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| |
| |
| |
| |

**(1100) No Terrestrial Backhaul Reporting
Data Collection Form**FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

| | |
|---|-----------------------|
| <010> Study Area Code | 180216 |
| <015> Study Area Name | ARMSTRONG TEL OF MD |
| <020> Program Year | 2016 |
| <030> Contact Name - Person USAC should contact regarding this data | James W Ranko |
| <035> Contact Telephone Number - Number of person identified in data line <030> | 7142830925 ext. 50342 |
| <039> Contact Email Address - Email Address of person identified in data line <030> | jranko@agoc.com |

<1120> Please confirm whether terrestrial backhaul options exist within the supported area pursuant to § 54.313(g) (Yes, No).

<1130> Please select the appropriate response (Yes, No, Not Applicable) to confirm the reporting carrier offers broadband service of at least 1 Mbps downstream and 256 kbps upstream within the supported area pursuant to § 54.313(g).

| | |
|--|--|
| (1200) Terms and Condition for Lifeline Customers Lifeline Data Collection Form | FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013 |
|--|--|

| | | |
|-------|---|--|
| <010> | Study Area Code | 180216 |
| <015> | Study Area Name | ARMSTRONG TEL OF MD |
| <020> | Program Year | 2016 |
| <030> | Contact Name - Person USAC should contact regarding this data | |
| <035> | Contact Telephone Number - Number of person identified in data line <030> | James W Ranko 7242830925 ext. 50342 |
| <039> | Contact Email Address - Email Address of person identified in data line <030> | jranko@agcc.com |

<1210> Terms & Conditions of Voice Telephony Lifeline Plans

180216nd1210.pdf

Name of Attached Document

<1220> Link to Public Website

HTTP www.agcc.com

*Please check these boxes below to confirm that the attached document(s), on line 1210, or the website listed, on line 1220, contains the required information pursuant to § 54.422(a)(2) annual reporting for ETCs receiving low-income support, carriers must annually report:

- <1221> Information describing the terms and conditions of any voice telephony service plans offered to Lifeline subscribers,
- <1222> Details on the number of minutes provided as part of the plan,
- <1223> Additional charges for toll calls, and rates for each such plan.

<C10> Study Area Code 180216
 <C15> Study Area Name ARMS/FRONG TEL OF ND
 <C20> Program Year 2016
 <C30> Contact Name - Person USAC should contact regarding this data James W Ranko
 <C35> Contact Telephone Number - Number of person identified in data line <C30> 7242830825 ext. 50244
 <C39> Contact Email Address - Email Address of person identified in data line <C30> jranko@apoc.com

CHECK the boxes below to note compliance on its five year service quality plan (pursuant to 47 CFR § 54.202(a)) and, for privately held carriers, ensuring compliance with the financial reporting requirements set forth in 47 CFR § 54.313(f)(2). I further certify that the information reported on this form and in the documents attached below is accurate.

3010) Program Report on 5 Year Plan Milestone Certification (47 CFR § 54.313(f)(1)(i)) 180216nd3010.pdf
 Name of Attached Document Listing Required Information

3011) Please check this box to confirm that the attached document(s), on line 3012 contains the required information pursuant to § 54.313 (f)(1)(ii), the carrier shall provide the number, names, and addresses of community anchor institutions to which began providing access to broadband service in the preceding calendar year.

3012) Community Anchor Institutions (47 CFR § 54.313(f)(1)(ii))
 Name of Attached Document Listing Required Information

3013) Is your company a Privately Held ROR Carrier (47 CFR § 54.313(f)(2)) (Yes/No) Yes No
 3014) If yes, does your company file the RUS annual report (Yes/No) Yes No

Please check these boxes to confirm that the attached document(s), on line 3017, contains the required information pursuant to § 54.313(f)(2) compliance requires:

3015) Electronic copy of their annual RUS reports (Operating Report for Telecommunications Borrowers)
 3016) Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows

3017) If the response is yes on line 3014, attach your company's RUS annual report and all required documentation
 Name of Attached Document Listing Required Information

3018) If the response is no on line 3014, is your company audited? (Yes/No) Yes No
 If the response is yes on line 3018, please check the boxes below to confirm your submission, on line 3025 pursuant to § 54.313(f)(2), contains:

3019) Either a copy of their audited financial statement; or (2) a financial report in a format comparable to RUS Operating Report for Telecommunications
 3020) Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows
 3021) Management letter and audit opinion issued by the independent certified public accountant that performed the company's financial audit
 If the response is no on line 3018, please check the boxes below to confirm your submission, on line 3026 pursuant to § 54.313(f)(2), contains:

3022) Copy of their financial statements which has been subject to review by an independent certified public accountant; or (2) a financial report in a format comparable to RUS Operating Report for Telecommunications Borrowers,
 3023) Underlying information subjected to a review by an independent certified public accountant
 3024) Underlying information subjected to an officer certification,
 3025) Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows 180216nd3026.pdf
 3026) Attach the worksheet listing required information
 Name of Attached Document Listing Required Information

| | |
|--|--|
| (3000) Rate Of Return Carrier Additional Documentation (Continued) Data Collection Form | FCC Form 481 OMB Control No. 3060-0985/OMB Control No. 3060-0819 July 2013 |
|--|--|

| | |
|---|-----------------------|
| <010> Study Area Code | 180216 |
| <015> Study Area Name | ARMSTRONG TEL OF MD |
| <020> Program Year | 2016 |
| <030> Contact Name - Person USAC should contact regarding this data | James W Ranko |
| <035> Contact Telephone Number - Number of person identified in data line <030> | 7242830925 ext. 50342 |
| <039> Contact Email Address - Email Address of person identified in data line <030> | jranko@aqon.com |

Financial Data Summary

| | |
|---|------------|
| (3027) Revenue | [REDACTED] |
| (3028) Operating Expenses | [REDACTED] |
| (3029) Net Income | [REDACTED] |
| (3030) Telephone Plant In Service(TPIS) | [REDACTED] |
| (3031) Total Assets | [REDACTED] |
| (3032) Total Debt | [REDACTED] |
| (3033) Total Equity | [REDACTED] |
| (3034) Dividends | [REDACTED] |

| | |
|---|--|
| Certification - Reporting Carrier Data Collection Form | FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013 |
|---|--|

| | |
|---|-----------------------|
| <010> Study Area Code | 180216 |
| <015> Study Area Name | ARMSTRONG TEL OF MD |
| <020> Program Year | 2016 |
| <030> Contact Name - Person USAC should contact regarding this data | James W Ranko |
| <035> Contact Telephone Number - Number of person identified in data line <030> | 7242830925 ext. 50342 |
| <039> Contact Email Address - Email Address of person identified in data line <030> | jranko@agoc.com |

TO BE COMPLETED BY THE REPORTING CARRIER, IF THE REPORTING CARRIER IS FILING ANNUAL REPORTING ON ITS OWN BEHALF:

| | |
|---|---|
| Certification of Officer as to the Accuracy of the Data Reported for the Annual Reporting for CAF or LI Recipients | |
| I certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual reporting requirements for universal service support recipients; and, to the best of my knowledge, the information reported on this form and in any attachments is accurate. | |
| Name of Reporting Carrier: | ARMSTRONG TEL OF MD |
| Signature of Authorized Officer: | CERTIFIED ONLINE Date 06/24/2015 |
| Printed name of Authorized Officer: | Christopher King |
| Title or position of Authorized Officer: | EVP - Finance & Acctg |
| Telephone number of Authorized Officer: | 7242833692 ext.50248 |
| Study Area Code of Reporting Carrier: | 180216 Filing Due Date for this form: 07/01/2015 |
| Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001. | |

| | |
|---|--|
| Certification - Agent / Carrier Data Collection Form | FCC Form 481 OMB Control No. 3060-0985/OMB Control No. 3060-0819 July 2013 |
|---|--|

| | |
|---|-----------------------|
| <010> Study Area Code | 180216 |
| <015> Study Area Name | ARMSTRONG TEL OF MD |
| <020> Program Year | 2016 |
| <030> Contact Name - Person USAC should contact regarding this data | James W Ranko |
| <035> Contact Telephone Number - Number of person identified in data line <030> | 7242830925 ext. 50342 |
| <039> Contact Email Address - Email Address of person identified in data line <030> | jranko@agoc.com |

TO BE COMPLETED BY THE REPORTING CARRIER, IF AN AGENT IS FILING ANNUAL REPORTS ON THE CARRIER'S BEHALF:

| Certification of Officer to Authorize an Agent to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier | |
|--|--------------------------------------|
| I certify that (Name of Agent) _____ is authorized to submit the information reported on behalf of the reporting carrier. I also certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual data reporting requirements provided to the authorized agent; and, to the best of my knowledge, the reports and data provided to the authorized agent is accurate. | |
| Name of Authorized Agent: _____ | |
| Name of Reporting Carrier: _____ | |
| Signature of Authorized Officer: _____ | Date: _____ |
| Printed name of Authorized Officer: _____ | |
| Title or position of Authorized Officer: _____ | |
| Telephone number of Authorized Officer: _____ | |
| Study Area Code of Reporting Carrier: _____ | Filing Due Date for this form: _____ |
| Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001. | |

TO BE COMPLETED BY THE AUTHORIZED AGENT:

| Certification of Agent Authorized to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier | |
|--|--------------------------------------|
| I, as agent for the reporting carrier, certify that I am authorized to submit the annual reports for universal service support recipients on behalf of the reporting carrier; I have provided the data reported herein based on data provided by the reporting carrier; and, to the best of my knowledge, the information reported herein is accurate. | |
| Name of Reporting Carrier: _____ | |
| Name of Authorized Agent or Employee of Agent: _____ | |
| Signature of Authorized Agent or Employee of Agent: _____ | Date: _____ |
| Printed name of Authorized Agent or Employee of Agent: _____ | |
| Title or position of Authorized Agent or Employee of Agent: _____ | |
| Telephone number of Authorized Agent or Employee of Agent: _____ | |
| Study Area Code of Reporting Carrier: _____ | Filing Due Date for this form: _____ |
| Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001. | |

Attachments



ARMSTRONG[®]
TELEPHONE COMPANY - MARYLAND

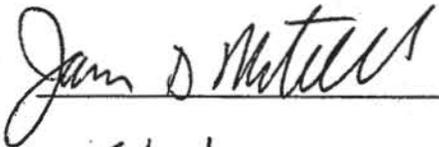
ONE ARMSTRONG PLACE • BUTLER, PA 16001 • 724-283-0925 • Fax 283-9655

§54.313(a)(5) – COMPLIANCE WITH SERVICE QUALITY STANDARDS AND CONSUMER PROTECTION

Pursuant to 47 C.F.R. § 54.313(a)(5) and or 47 C.F.R. § 54.422(b)(3) Armstrong Telephone Company – Maryland (“the Company”) is in compliance with appropriate FCC Service Quality Standards and Consumer Protection Rules. The Company provides CPNI training to all of its new employees and in addition trains all of its existing employees on an annual basis. The Company also conducts subscriber outreach regarding CPNI by periodically placing CPNI explanation messages into subscriber’s bills and also has signage in its business office regarding CPNI rules and regulations. In addition the Company trains staff on Red Flag issues on an annual basis. All company employees are required to sign and acknowledge that they have completed CPNI and Red Flag training and understand obligations to adherence of applicable rules.

Name of Officer (Print) James D. Mitchell

Title: Vice President - Regulatory Policy and Interconnection

Signature 

Date: 5/14/15



ARMSTRONG[®]
TELEPHONE COMPANY - MARYLAND

ONE ARMSTRONG PLACE • BUTLER, PA 16001 • 724-283-0925 • Fax 283-9665

§54.313(a)(6) – ABILITY TO FUNCTION IN EMERGENCY SITUATIONS

I am authorized to provide this certification on behalf of Armstrong Telephone Company-Maryland (the "Company"). I hereby certify that, to the best of my knowledge, the Company is capable of functioning in emergency situations. The Company has a reasonable amount of back-up power to ensure functionality of voice services without a commercial power source. The company's specific back-up power sources are, lead calcium batteries, gel cell batteries, fixed AC and DC natural/LP gas generators, fixed AC and DC gasoline/diesel generators and portable gasoline generators. The Company is able to reroute voice traffic around damaged facilities, and is capable of managing traffic spikes resulting from emergency situations. If there is a failure of the Company's main route, voice traffic is automatically rerouted to the back-up route.

Name of Officer (Print) James D. Mitchell

Title: Vice President – Regulatory Policy and Interconnection

Signature *James D. Mitchell*

Date: 5/14/15

Response to Line 1010
Armstrong Telephone Company - Maryland
Study Area 180216

Voice Services Comparability Report

Pursuant to 47 C.F.R. § 54.313 (a) (10) Armstrong Telephone Company – Maryland (the “Company”) is in compliance with the requirement that voice services is no more than two standard deviations above the national average urban rate for voice service of \$47.48 as specified in Public Notice DA 15-470 issued on April 16, 2015. The Company’s current total local end-user rate¹ of \$6.00 (which includes a local fee of \$6.00, mandated state fees of 0.00 and mandatory extended area service charges of \$0.00) is not above the standard deviation as specified in the USF/ICC Transformation Order.²

¹ Local End User Rate as defined in USF/ICC Transformation Order 26 FCC Rcd at 17751, Para. 238

² USF/ICC Transformation Order, 26 FCC Rcd at 17694, Para. 84 (footnote included) “The standard deviation is a measure of dispersion. The sample standard deviation is the square root of the sample variance. The sample variance is calculated as the sum of the squared deviations of the individual observations in the sample of data from the sample average divided by the total number of observations in the sample minus one. In a normal distribution, about 68 percent of the observations lie within one standard deviation above and below the average and about 95 percent of the observations lie within two standard deviations above and below the average.”

[REDACTED]

REDACTED - FOR PUBLIC INSPECTION



ARMSTRONG

Telephone Company - Maryland

Progress Update - 47 C.F.R. §54.313(a)(1)

Armstrong Telephone Company (Armstrong) submits its five year progress report for Service Quality Improvement pursuant to C.F.R. 54.313(a)(1) detailing its progress towards meeting its targets for improvement and upgrade to COMPANY network throughout its service area. The receipt of USF support, combined with other funding sources will allow COMPANY to continue to meet its broadband obligations within its service area, complete service request within a reasonable amount of time, provide reliable, state-of-the-art, high-quality voice and broadband service, to its [REDACTED] rural customers in one exchange. The projects listed within this plan will be used to improve or upgrade the network over the next five years. In addition, this progress report provides sufficient data that details capital and operational expenditures, the amount of USF received allocated between capital and operational expenditures. All USF funds received and detailed within this progress report were used in accordance with federal rules and regulations towards improving service quality, service coverage, and service capacity.

Voice Network Upgrades : 2015

| Project Description | Area Served/Wire center | Estimated Start Date | Estimated Completion Date | Estimated Population Served | Estimated Capital Costs | Progress Update |
|---------------------|-------------------------|----------------------|---------------------------|-----------------------------|-------------------------|-----------------|
| [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] |
| | | | | Total | \$ [REDACTED] | |

Broadband Upgrades : 2015

| Project Description | Area Served/Wire center | Estimated Start Date | Estimated Completion Date | Estimated Population Served | Estimated Capital Costs | Progress Update |
|---------------------|-------------------------|----------------------|---------------------------|-----------------------------|-------------------------|-----------------|
| [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] |
| | | | | Total | \$ [REDACTED] | |



[REDACTED]

REDACTED - FOR PUBLIC INSPECTION

ARMSTRONG

Telephone Company - Maryland

Progress Update— 47 C.F.R. 54.313(a)(1)

Armstrong Telephone Company (Armstrong) submits its five year progress report for Service Quality Improvement pursuant to C.F.R. 54.313(a)(1) detailing its progress towards meeting its targets for improvement and upgrade to COMPANY network throughout its service area. The receipt of USF support, combined with other funding sources will allow COMPANY to continue to meet its broadband obligations within its service area, complete service request within a reasonable amount of time, provide reliable, state-of-the-art, high-quality voice and broadband service, to its rural customers in one exchange. The projects listed within this plan will be used to improve or upgrade the network over the next five years. In addition, this progress report provides sufficient data that details capital and operational expenditures, the amount of USF received allocated between capital and operational expenditures. All USF funds received and detailed within this progress report were used in accordance with federal rules and regulations towards improving service quality, service coverage, and service capacity.

The Company project that the capital expenditures, by Part 32 accounts for 2015 through 2019 related the above identified projects will be:

| | CY 2015* | CY 2016* | CY 2017* | CY 2018* | CY 2019* |
|-----------------------------------|------------|------------|------------|------------|------------|
| 2110 Land & General Support | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] |
| 2210 Central Office Switching | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] |
| 2230 Central Office Transmission | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] |
| 2410 Cable & Wire Facilities | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] |
| Total Capital Expenditures | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] |

The Company project that the operating expenditures, by Part 32 accounts for 2015 through 2019 related the above identified projects will be:

| | CY 2015* | CY 2016* | CY 2017* | CY 2018* | CY 2019* |
|---------------------------------|------------|------------|------------|------------|------------|
| Plant Specific | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] |
| Plant Nonspecific | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] |
| Depreciation | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] |
| Customer Operations | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] |
| Corporate Operations | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] |
| Total Operating Expenses | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] |

*Budget projection amount subject to change based upon the needs and conditions of the Company

| USF YTD (1/15 - 6/15) | Amount |
|-----------------------|------------|
| ICLS | [REDACTED] |
| ICC | [REDACTED] |
| Total YTD | [REDACTED] |
| USF BreakOut | |
| CapEx USF | [REDACTED] |
| OpeEx USF | [REDACTED] |
| Total | [REDACTED] |

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MAP

SECTION 3

LOCAL SERVICE RATES

LIFELINE SERVICE

A. GENERAL

Lifeline Service is an offering designed to help qualified customers pay for their Local Exchange Service. Such qualified customers are charged a reduced rate for their local telephone service.

B. REGULATIONS

1. Lifeline Service is available to qualified customers and is provided via a residence individual message rate dial tone line.
2. Lifeline Service is Local Exchange Service and, as such, is subject to the regulations governing Local Exchange Service in Section 3 of this tariff. Lifeline customers will receive a flat rate monthly discount as specified in C. of this Section 3.
3. In order to qualify for Lifeline Service, a customer must be certified in accordance with Federal Communications Commission rules found in CFR § 54.410(c) by the Maryland Department of Human Resources to the Telephone Company as receiving assistance under Title 5, subtitle 3 of the Human Services Article including (Temporary Cash Assistance (TCA), Supplemental Nutrition Assistance Program (SNAP), State Funded: Temporary Disability Assistance Program (TDAP), and Public Assistance to Adults (PAA)), Assistance from the Electric Universal Service Program, Assistance from the Maryland Energy Assistance Program, State-funded public assistance benefits, or Supplemental Security Income (SSI).
4. Lifeline Service will continue to be provided to a customer only so long as such customer is receiving benefits as specified in 3. preceding. The continuation of qualification for Lifeline Service must be recertified by the Maryland Department of Human Resources, every 12 months for customers receiving Supplemental Security Income benefits, and every six months for customers receiving other benefits specified in 3. preceding, following the establishment of the Lifeline Service. Without such recertification, the customer's Lifeline Service will be discontinued.
5. When the Telephone Company receives notice from the Maryland Department of Human Resources, or the customer, that the customer is no longer receiving benefits as specified in 3. preceding, the Telephone Company will then notify the customer that the Lifeline Service will be disconnected or changed to another class of residence service.

(C)
|
(C)

SECTION 3

LOCAL SERVICE RATES

LIFELINE SERVICE (CONT'D)

B. REGULATIONS (CONT'D)

6. A customer to Lifeline Service may not subscribe to any other Local Exchange Service on the same premises. In addition, a Lifeline customer may not subscribe to any additional telephone services including foreign central office, foreign exchange, and foreign zone services.
7. A subscriber may elect at the time of subscription to Lifeline Service to receive Toll Blocking Service as part of Lifeline Service. "Toll Blocking Service" is a service that allows a subscriber to elect not to allow the completion of outgoing toll calls from the subscriber's residence.
8. The Company may not collect a service deposit in order to initiate Lifeline Service. Lifeline Service will not be disconnected for non-payment of toll charges.
9. Lifeline Service provides a flat rate monthly Federal credit of \$9.25.
10. The Company shall apply the baseline payments received by the administrator of the federal Lifeline Service program to waive the qualifying customer's federal End-User Common Line Charge. The Company shall apply any additional federal support amount to the qualifying customer's basic local exchange service rate.
11. To be eligible for Lifeline Service, qualifying customers must subscribe to the residential Touch-Tone Service offering that is made available in the Company's service area as indicated on Leaf 1 in this Section and must pay all related charges associated with E-911 services and, when applicable, directory assistance and operator service charges.
12. Partial payments that are received from Lifeline Service customers shall first be applied to local service charges and then to any outstanding toll charges.

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SECTION 3LOCAL SERVICE RATESLIFELINE SERVICE (CONT'D)

B. REGULATIONS (CONT'D)

14. All aspects of the Lifeline Service program shall be subject to the interpretation of applicable Federal regulations and any directives which may from time to time be prescribed by the Universal Service Administrative Company. These rules are separate and apart from any rules prescribed as part of a state Universal Service program.

C. RATES

1. Lifeline Service Dial Tone Line,
credit per month ... \$9.25 (C)
(C)
(C)
2. For the installation of new Local Exchange Service as a Lifeline Service, effective April 1, 2012, the applicable Service Charges discount is eliminated.
3. For changes to a Lifeline Service for a qualified customer, the Service Charges specified in Section 6 of this Tariff do not apply. If a customer no longer qualifies for Lifeline Service, no Service Charges apply for changing to a Residence Local Exchange Service normally provided to the customer's premises as specified in Section 2 preceding.

Response to Line3010
Armstrong Telephone Company – Maryland
Study Area 180216

Milestone Certification

Pursuant to 47 C.F.R. § 54.202(a) Armstrong Telephone Company – Maryland (the “Company”) provides this certification that it is taking reasonable steps to provide upon reasonable request broadband speeds of at least 4 Mbps downstream/1 Mbps upstream, with latency suitable for real-time applications, including Voice over Internet Protocol, and usage capacity that is reasonably comparable to offerings in urban areas as determined in an annual survey as specified in Public Notice DA 15-470, and that requests for such service are met within a reasonable amount of time. Details for how the Company is meeting its obligations for meeting its goals and required obligations are specified within the FCC Form 481 annual filing.

MOSS ADAMS LLP
Certified Public Accountants | Business Consultants

REPORT OF INDEPENDENT AUDITORS

Board of Directors
Armstrong Telephone Company - Maryland, Inc.

Report on Financial Statements

We have audited the accompanying financial statements of Armstrong Telephone Company - Maryland, Inc., which comprise the balance sheets as of September 30, 2014 and 2013, and the related statements of operations, stockholder's equity, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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**REPORT OF INDEPENDENT AUDITORS
(continued)**

We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Armstrong Telephone Company - Maryland, Inc. as of September 30, 2014 and 2013, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Moss Adams LLP

Spokane, Washington
January 19, 2015

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ARMSTRONG TELEPHONE COMPANY - MARYLAND, INC.
BALANCE SHEETS

ASSETS

| | September 30, | |
|--|---------------|---------------|
| | <u>2014</u> | <u>2013</u> |
| CURRENT ASSETS | | |
| Cash and cash equivalents | \$ [REDACTED] | \$ [REDACTED] |
| Subscriber accounts receivable, net of allowance of \$ [REDACTED] in 2014 and \$ [REDACTED] in 2013 | [REDACTED] | [REDACTED] |
| Other accounts receivable, net of allowance of \$ [REDACTED] in 2014 and 2013 | [REDACTED] | [REDACTED] |
| Material and supplies | [REDACTED] | [REDACTED] |
| Income tax receivable, parent company | [REDACTED] | - |
| Other current assets | [REDACTED] | [REDACTED] |
| | <hr/> | <hr/> |
| Total current assets | [REDACTED] | [REDACTED] |
| NONCURRENT ASSETS | | |
| Other noncurrent assets | [REDACTED] | [REDACTED] |
| PROPERTY, PLANT, AND EQUIPMENT | | |
| Telecommunications plant in service | [REDACTED] | [REDACTED] |
| Nonregulated plant in service | [REDACTED] | [REDACTED] |
| Telecommunications plant under construction | [REDACTED] | - |
| | <hr/> | <hr/> |
| | [REDACTED] | [REDACTED] |
| Less accumulated depreciation | [REDACTED] | [REDACTED] |
| | <hr/> | <hr/> |
| | [REDACTED] | [REDACTED] |
| | <hr/> | <hr/> |
| | \$ [REDACTED] | \$ [REDACTED] |

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ARMSTRONG TELEPHONE COMPANY - MARYLAND, INC.
BALANCE SHEETS

LIABILITIES AND STOCKHOLDER'S EQUITY

| | September 30, | |
|---|---------------|---------------|
| | 2014 | 2013 |
| CURRENT LIABILITIES | | |
| Accounts payable | \$ [REDACTED] | \$ [REDACTED] |
| Advance billing | [REDACTED] | [REDACTED] |
| Income tax payable, parent company | [REDACTED] | [REDACTED] |
| Related party note payable | [REDACTED] | [REDACTED] |
| Other accrued liabilities | [REDACTED] | [REDACTED] |
| | <hr/> | <hr/> |
| Total current liabilities | [REDACTED] | [REDACTED] |
| | <hr/> | <hr/> |
| OTHER LIABILITIES AND DEFERRED CREDITS | | |
| Deferred income taxes | [REDACTED] | [REDACTED] |
| | <hr/> | <hr/> |
| STOCKHOLDER'S EQUITY | | |
| Common stock (\$ [REDACTED] par value; [REDACTED] shares authorized, [REDACTED] shares issued and outstanding) | [REDACTED] | [REDACTED] |
| Retained deficit | [REDACTED] | [REDACTED] |
| | <hr/> | <hr/> |
| | [REDACTED] | [REDACTED] |
| | <hr/> | <hr/> |
| | \$ [REDACTED] | \$ [REDACTED] |
| | <hr/> | <hr/> |

ARMSTRONG TELEPHONE COMPANY - MARYLAND, INC.
STATEMENTS OF OPERATIONS

| | Years Ended September 30, | |
|-------------------------------------|---------------------------|---------------|
| | 2014 | 2013 |
| Operating revenues | | |
| Wireline | | |
| Customer | \$ ██████████ | \$ ██████████ |
| Intercarrier | ██████████ | ██████████ |
| Interstate | ██████████ | ██████████ |
| Intrastate | ██████████ | ██████████ |
| Universal service support - federal | ██████████ | ██████████ |
| Internet | ██████████ | ██████████ |
| Miscellaneous | | |
| Equipment | ██████████ | ██████████ |
| Carrier billing and collection | ██████████ | ██████████ |
| Other | ██████████ | ██████████ |
| Directory | ██████████ | ██████████ |
| Uncollectible | ██████████ | ██████████ |
| Total operating revenues | ██████████ | ██████████ |
| Operating expenses | | |
| Plant specific operations | ██████████ | ██████████ |
| Plant nonspecific operations | ██████████ | ██████████ |
| Depreciation | ██████████ | ██████████ |
| Customer operations | ██████████ | ██████████ |
| Corporate operations | ██████████ | ██████████ |
| Other operating taxes | ██████████ | ██████████ |
| Nonregulated | ██████████ | ██████████ |
| Total operating expenses | ██████████ | ██████████ |
| Net operating loss | ██████████ | ██████████ |
| Nonoperating income (expense) | | |
| Interest and dividend income | ██████████ | ██████████ |
| Interest expense | ██████████ | ██████████ |
| Other nonoperating expense | ██████████ | ██████████ |
| Total nonoperating expense | ██████████ | ██████████ |
| Loss before income taxes | ██████████ | ██████████ |
| Income tax benefit | ██████████ | ██████████ |
| Net loss | \$ ██████████ | \$ ██████████ |

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ARMSTRONG TELEPHONE COMPANY - MARYLAND, INC.
STATEMENTS OF CASH FLOWS

| | Years Ended September 30, | |
|---|---------------------------|---------------|
| | 2014 | 2013 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Net loss | \$ [REDACTED] | \$ [REDACTED] |
| Adjustments to reconcile net loss to net cash from operating activities | | |
| Depreciation | [REDACTED] | [REDACTED] |
| Deferred income taxes | [REDACTED] | [REDACTED] |
| Change in assets and liabilities | | |
| Receivables | [REDACTED] | [REDACTED] |
| Material and supplies | [REDACTED] | [REDACTED] |
| Other assets | [REDACTED] | [REDACTED] |
| Accounts payable | [REDACTED] | [REDACTED] |
| Advance billing | [REDACTED] | [REDACTED] |
| Other accrued liabilities and taxes | [REDACTED] | [REDACTED] |
| Net cash from operating activities | [REDACTED] | [REDACTED] |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Net acquisition of nonregulated plant | [REDACTED] | [REDACTED] |
| Net acquisition of property, plant, and equipment | [REDACTED] | [REDACTED] |
| Proceeds from sale of property, plant, and equipment | [REDACTED] | [REDACTED] |
| Net cash from investing activities | [REDACTED] | [REDACTED] |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Payments on related party note | [REDACTED] | [REDACTED] |
| Proceeds from related party note | [REDACTED] | [REDACTED] |
| Net cash from financing activities | [REDACTED] | [REDACTED] |
| NET CHANGE IN CASH AND CASH EQUIVALENTS | [REDACTED] | [REDACTED] |
| CASH AND CASH EQUIVALENTS at beginning of year | [REDACTED] | [REDACTED] |
| CASH AND CASH EQUIVALENTS at end of year | \$ [REDACTED] | \$ [REDACTED] |
| SUPPLEMENTAL DISCLOSURE OF CASH FLOWS INFORMATION | | |
| Cash paid during the year for | | |
| Interest | \$ [REDACTED] | \$ [REDACTED] |